

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Criminal No.

UNITED STATES OF AMERICA,

Plaintiff, **INFORMATION**
v. 26 U.S.C. § 7201

JEFFREY LAWRENCE KLOSS,

Defendant.

THE UNITED STATES ATTORNEY CHARGES THAT:

INTRODUCTION

1. At all times relevant to this Information, the defendant, JEFFREY LAWRENCE KLOSS, was a resident of the State and District of Minnesota. KLOSS owned and operated a tree trimming business in Pierz, Minnesota. At all times relevant to this Information, KLOSS's tree trimming business was a sole proprietorship, and KLOSS was required to report its income on a Schedule C to his federal income tax returns.

2. Beginning in or about January 2014 through at least December 2017, KLOSS cashed checks from customers payable to his tree trimming business and failed to include those funds as business income on his federal income tax returns. Using this method, KLOSS failed to report a total of approximately \$467,555 in income for calendar years 2014 through 2017. As a result of KLOSS's underreporting of his income, KLOSS evaded assessment of a total of approximately \$152,923 in federal income taxes for calendar years 2014 through 2017.

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COUNT 1
Tax Evasion - 2017

3. Paragraphs 1 and 2 are incorporated by reference as if fully set forth herein.
4. During calendar year 2017, defendant JEFFREY LAWRENCE KLOSS, a resident of Minnesota, had and received taxable income of approximately \$202,500, and upon said income there was owing to the United States of America taxes in excess of \$65,000.
4. Well knowing and believing the facts set forth in the preceding paragraph, the defendant,

JEFFREY LAWRENCE KLOSS,

in the State and District of Minnesota and elsewhere, did willfully evade and defeat income tax due and owing by him and his spouse to the United States of America for calendar year 2017 by the following affirmative actions:

- a. On dozens of occasions during calendar year 2017, instead of depositing checks from his tree trimming customers into his bank account or the bank account of his tree trimming business, KLOSS cashed the checks. In total, KLOSS cashed approximately \$108,000 in business checks during calendar year 2017. KLOSS did so for the purpose of evading the assessment of federal income taxes on the business income from the customer checks.
- b. On or about February 5, 2019, KLOSS filed with the Internal Revenue Service a false and fraudulent 2017 United States Individual Income

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Tax Return, Form 1040, wherein Line 12 reported his Schedule C business income to be \$38,546, Line 43 reported his total taxable income to be \$26,742 and Line 63 reported his total tax to be \$6,574, whereas, as he then and there well knew and believed, his Schedule C business income was approximately \$222,680, his total taxable income was approximately \$202,500, and a substantial tax was due and owing to the United States of America upon such additional taxable income.

5. All in violation of Title 26, United States Code, Section 7201.

Dated: 8/2/2019

ERICA H. MACDONALD
United States Attorney



BY: KIMBERLY A. SVENDSEN
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